Project and Investment Justification

A Statewide Standard
Document for Information Technology Projects

Project Title: ***Lobbyist On-Line Reporting***

Version 3.0 Revised 01/01/99

Prepared by:

Name	***Michael Totherow***
Agency	***Secretary of State***
Date	***August 17, 2001***

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Introduction

An Information Technology (IT) project is defined as a specific series of activities involving the implementation of new or enhanced IT systems. A Project and Investment Justification (PIJ) document is completed for all projects of $25,000 or more in development costs. Projects with $100,000 or more in development costs includes life cycle analysis. Life cycle analysis is development and operating costs over a prescribed period not greater than 5 years.

A. Document Information

The information in the sections ***Project and Technology Description, Financial Assessment, Risk Assessment, Project Approvals*** and ***Appendices*** contain guidelines for preparing your PIJ document. A completed PIJ document presents the required information in the order given in the Table of Contents.

Section I. ***Project and Technology Description*** provides a project overview; describes the existing situation and problem; defines the proposed changes and objectives; outlines the proposed technology; illustrates viable alternatives; lists major deliverables; assigns personnel roles and responsibilities; and defines the project schedule.

Section II. ***Value to the Public and Benefit to the State*** describes the improved management or performance that brings new value to the citizens. This section identifies the quantitative and the qualitative benefits that can be gained by completing this project.

Section III. ***Financial Assessment*** identifies the development and operating costs, as well as a return on investment (ROI). The ROI is calculated using total costs and economic benefits.

Section IV. ***Risk Assessment*** measures the impact of the project on the agency in six key categories. Each category is described and contains questions pertaining to risks. A "Yes" answer receives a score of 1 point. A low score indicates high-risk and the project's success is questionable.

Section V. ***Project Approvals*** provides a management review checklist and an area for the agency management to sign off on the PIJ document.

The ***Appendices section*** provides attachments to the PIJ document and is required, depending on the project development cost.

B. Procedure

The review cycle by GITA for a completed PIJ is approximately thirty (30) working days from the date received. During this thirty-day window, the Government Information Technology Agency (GITA) Oversight staff may be in contact with the agency to resolve issues detected.

The GITA Director will issue a response letter to the agency indicating the results of the review. Once a PIJ has been approved by GITA or ITAC, it is the responsibility of the agency to resolve any budgetary issues with OSPB and JLBC.

All major modifications to the project made after approval require an updated PIJ document or amendment. Changes to the project plan, schedule, costs, savings and resource allocation are some examples. If the changes affect the scope of effort, the updated PIJ is subject to additional review and approval.

C. Decision Matrix

After estimating the development cost of the project, complete the sections of the PIJ indicated below. Sections that must be completed vary, based on development cost. Projects of $25K to $100K include development costs only. Projects of $100K or more include operating costs; if they are anticipated. GITA may request additional information, if the project is critical in nature or has an impact on the agency as a whole.

		Development Costs		
Section	**Category**	**$25K To $100K**	**$100K To $1.0MM**	**$1.0MM And Over**
I. A	Management Summary	●	●	●
B	Proposed Changes and Objectives, "To Be"	●	●	●
C	Existing Situation and Problem, "As Is'	●	●	●
D	Proposed Technology	●	●	●
E	Measurements and Major Deliverables	●	●	●
F	Roles and Responsibilities		●	●
G	Other Alternatives Considered		●	●
H	Summary Project Management Schedule		●	●
II. A	Value to the Public	●	●	●
B	Benefits to the State	●	●	●
III. A	Development Costs	●	●	●
B	Operating Costs		●	●
C	Summary of Costs		●	●
D	Terms and Conditions		●	●
E	Funding Timeline and Source	●	●	●
IV. A	Risk Summary		●	●
B	Risk Evaluation			●
1	Strategic			●
2	Management			●
3	Operation			●
4	Scope and Requirements			●
5	Technologies Competency			●
6	Infrastructure Dependencies			●
V. A	CIO Review		●	●
B	Project Approvals	●	●	●
Appendices				
A	Connectivity Diagram		●	●
B	Gantt Chart, Project Management Summary			●
C	Itemized List with Costs	●	●	●

Section I. Business and Technology Assessment

Agency Name and Address	*Contact Name, Phone, FAX*
Secretary of State 1700 W. Washington Phoenix, AZ 85007	Michael Totherow (602) 542-6170

Project Investment Name	*Date*
Lobbyist On-line Reporting	August 15, 2001

This section describes the business issues, objectives and operational goals the project is expected to satisfy. It illustrates the proposed system solutions and organizational arrangements, and identifies the expected project duration, costs, resources, service improvements and benefits.

Note: For projects $100,000 or less, complete parts A-E of this section. For projects $1 Million or less but greater than $100,000, complete parts A-H of this section. For projects over $1 Million, complete all parts of this section.

A. Management Summary

Complete this part last. It includes high-level summary information about the major project objectives and the specific means to accomplish these objectives. Describe the value to be realized, the resources needed and the methods to be used for measurement. Detail information on these three key areas is described later in this section.

The Lobbyist reporting process is determined by A.R.S. 41-1232 through 41-1239.

In conjunction with the Governor's wish to make more available to the public through the Internet, the Secretary of State, Election Services Division, wishes to expand the role of the lobbyist filing.

Lobbyists and lobbying bodies, known as Principals and Public Bodies (PPB), register and report to the Secretary of State, Election Services Division (ESD), as mandated by statute. Registrations for both are bi-annual in alternating years. PPBs register the relationships of their associated designated lobbyist, lobbyists for compensation, lobbyists and employees. The designated lobbyist is responsible for meeting the reporting requirements of the PPB, which entails amendments to lobbyists and an annual expenditure report. It is comprised of the expenditures on behalf of the PPB by the lobbyists and employees. Designated lobbyists (DL) and lobbyists for compensation (LFC) must also file quarterly reports of their expenditures. Still others are required to file exemption statements from expenditures altogether. The result is at least once per year, every DL and LFC lobbyist within the state must file at the ESD.

The ESD currently uses software designed in-house to track lobbyist registration and reporting. Information is keyed into the lobbyist system from documents filed and they are then retained for five years. The ESD wishes to expand the lobbyist system to accept electronic filings for the financial and exemption statements of the lobbyists. The documents would be filled out on-line via the Internet and stored in their electronic format for the duration of their retention cycle. In order for the documents to be received and maintained in this manner, electronic signatures must be used to meet the signature requirements of filing.

For this project, because of the size of the focus group and the need for reliable signature process, digital signatures will be used to implement the electronic signature of the lobbyist. This is consistent in policy and practice of the Digital Signature Certificate Policy on file with the Secretary of State.

The electronic records created by the electronic signatures, the financial disclosure reports, have a life cycle well under the current acceptable electronic records retention schedule established by State Library, Archives and Public Records.

Providing direct on-line reporting by lobbyists will speed the disclosure of expenditures to the public substantially. Current reporting of expenditures takes upwards of six weeks for accurate information. Improving the public's access to this information increases the visibility of the workings of government for better democracy.

The first benefit of this project is the education of the lobbyists on the potential for government possible through e-government practices. Lobbyists influence the legislative process, and educating them on the benefits, and drawbacks, of e-government through hands on experience will be instrumental in success for Arizona.

Is this project mandated by law, court case or rule?
Cite the requirement, ARS Reference or Court Case: No

The following table contains summary information taken from the other sections of the PIJ document.

Description	Section	Significance
Value Rating	II. A. Value to the Public	8
Economic Benefits	II. B. Benefits to the State	$105,240 (annual)
Total Development Cost	III. A. Development Costs	$86,800
Total Life Cycle Costs	III. C. Summary of Costs by Year	N/A
Score for Risks	IV. A. Risk Summary (Maximum 36)	N/A

B. Proposed Changes and Objectives, "To Be"

Explain the technology processes being modified or implemented with respect to customer service, productivity, quality, performance and technology. Describe how the new system will address current problems and how it will impact the organization's policies, procedures, standards, staffing, costs and funding. Also, describe the functional elements of the new system and how agency personnel will use them. If other states are using a similar system, describe the critical success factors.

If a new system is required to meet certain standards, provide detailed information or attach copies of the documents. Describe the impact of the new system on help desk function, operations, disk storage, computer processing, network, testing environment, other projects and other customer services.

The scope of the project will be the lobbyists on file with the ESD. There will be four phases: selected lobbyists in beta test; designated and compensated financing statements; all

lobbyist financing statements; all principal and public bodies reporting / registration on-line. The total number of subscribers using digital signatures will amount to just over one thousand users: the designated and compensated lobbyists. There are approximately 4700 quarterly expenditure reports filed by those lobbyists over a year. Since the designated lobbyist actually files the annual expenditure report for the PPB, almost 1200 annual expenditure reports will also be filed electronically over a year. Initial registrations will not be filed electronically, because this will be the point at which the ESD verifies the lobbyist's identity to distribute the digital signature. It should be apparent that the existing scope will cover about 80% of the paperwork filed on behalf of lobbying statute at the ESD.

PPB and lobbyists shall register on paper with the ESD. At the time of registration, the designated and compensated lobbyists will be registered with digital signatures to be used at the ESD. By physically interviewing the lobbyist (subscriber), the ESD can be assured that the digital signature is issued solely to that lobbyist (subscriber). At this point, the lobbyist (subscriber) has sole possession of the digital signature. Under the contract to be signed by the lobbyist (subscriber) with the issuing certificate authority (Issuer), the lobbyist (subscriber) must maintain the security of the digital signature certificate for the life of the certificate. If the certificate is to become lost, compromised or permitted to be used by anyone other than the lobbyist (subscriber), the certificate would become revoked and the lobbyist would be responsible for the misuse of the certificate. This should prompt the lobbyist (subscriber) to report compromises immediately to the certificate authority. If the issuing certificate authority, or their digital signature infrastructure, were to become destroyed or compromised in anyway, the certificates issued would be revoked with instructions to acquire new certificates from an alternate source. Any documents signed using a revoked certificate would NOT be accepted by the ESD. The signing lobbyist (subscriber) would be notified in writing via certified mail that the document could not be processed. Absent filers are reported to the Attorney General for issuance of compliance orders and penalties up to $1000.00 could be imposed by Attorney General.

There will be some basic requirements to qualify as a digital signature using lobbyist. First and primary is that the lobbyist is either a designated or compensated lobbyist. Second, the lobbyist is willing to pay a nominal fee for the convenience of filing in an electronic format. Third, the lobbyist must have access to the Internet. Fourth, the lobbyist must use software as specified by the ESD, including operating system, Internet browser and additional plug-ins. Fifth, the ESD may require the lobbyist to lease hardware from the ESD for a nominal fee (depending on the solutions that come forward).

The expenditure report forms will be replicated to a web based XML. The forms shall be 'signed' by the ESD. The lobbyist shall download the form off of the Internet from the ESD. Upon opening of the form, the form shall verify with the certificate authority the veracity of the electronic form as presented by the secretary of state. The lobbyist shall fill out the form on-line or offline, which means the forms will be complete within themselves. The lobbyist shall then send the signed electronic form to the secretary of state. When sending, the lobbyist will be asked to identify the digital signature to use (because multiple signatures may reside on a machine) and enter in that digital signature's enabling password. The browser shall use the ESD's public key and the subscriber's (lobbyist) private key to 'sign' the electronic form as it is posted to the ESD's web site.

Upon arrival of the post, the server shall identify the sending party by using the name fields from the XML form. Then it shall verify the integrity of the electronic form using the public

key of the subscriber (lobbyist) and the private key of the ESD. If the form is intact, the data shall be parsed and verified for completeness and correctness. If correct and complete, it will be entered into a protected database and entire post of the form shall be attached as a blob[1] within that database. In addition to submission handshake with the web server, an email receipt will be generated and signed with the ESD's private key to the lobbyist verifying the form was officially accepted.

Upon an insert into the protected database, the record will be passed to the lobbyist system for actual insertion. The record will be written with a timestamp to a location within the state's document storage. The filing shall be identified by a unique filing number and shall contain: the electronic document in XML, plain text, parsed data, and blob format; the public key of the subscriber; the verification of non-revocation from the certificate authority; and the associated hashes of the form and keys. The audit log of the document storage will be sequentially enumerated with timestamp for uniqueness within the ESD. A physical log (and electronic log) shall be produced identifying the location and filing number of the electronic document. This log, and the physical medium of CD or DVD if applicable, will provide the long term retention of the filed document. The enumeration of the medium and the sequential state of the log shall identify the time period and the maintenance of the hashes with a write-once CD or DVD shall provide the integrity of the document.

If a subscriber denies signing of the document, the blob can be used to re-authenticate the signed electronic document.

In addition to the processes carried out by the ESD, the certificate authority will need to retain the registration and key distribution for all subscribers for the life of the document. Because it is not clear as to when the key can actually be used within it's life cycle, the certificate authority must maintain these records for FIVE years past the issuance of the last key pair. Also included should be the revocation lists and any information the certificate authority would find necessary to demonstrating to a court the possession of a certificate of an individual at a given point in time.

This project is essential to proving the effectiveness, efficiency and functionality in a paperless office. The ESD has over one thousand filing lobbyists around the state. Most functions of the department are carried out from the central office at 1700 West Washington Ave. The problem is that for most of those functions, the lobbyist is simply not in the proximity of the central office when these filings need to occur. The present reporting process is a plethora of paperwork that taxes the lobbyist's time and patience, as well as the secretarial work done by the ESD employees. It is clear that the current method could be substantially made more efficient and effective with an electronic version of the form and process.

C. Existing Situation and Problem, "As Is"

Explain the current business and technology processes and issues being addressed, and their weaknesses. Provide specific information about current staffing and procedures that negatively affect the processes.

[1] Blob is a term used by database people to indicate any random large block of bits that needs to be stored in a database, such as a picture or sound file. A BLOB is an object that cannot be interpreted within the database itself.

Identify specific hardware, software and network inadequacies. If a Program Authorization Review (PAR) was completed, describe any requirements specified.

Before any principal (or public body) causes any lobbying to occur on its behalf, the PPB must register with the secretary of state on a written statement, subscribed under oath. These written statements are the forms prescribed by the ESD, namely: the Principal or Public Body Registration; Schedule A, their lobbyists for compensation; Schedule B, their authorized lobbyists; and Schedule C, the employees of lobbyists (Principals only). In addition, the PPB must report the itemized expenditures on behalf of the PPB to the secretary of state annually.

Any person listed by a PPB on a registration form as a DL or LFC lobbyist shall provide a registration form to the secretary of state, subscribed under oath. During the course of being registered, all designated and compensated lobbyists (of the entire authorized group) must file quarterly reports of expenditures during the previous quarter and summary cumulative figures for the year. In the case of no expenditures, the lobbyist must file an exemption statement. These quarterly reports, four in all, must also be signed under oath.

In addition, the fee imposed upon lobbyists by the clean elections act, must be acknowledged or exempted in writing annually. This fee is $110 and should be conducted at the time of registration. Since all authorized lobbyists (and not just designated or compensated) must file this acknowledgement, this transaction should NOT be considered for an electronic document at this time.

D. Proposed Technology

Describe hardware, software and communications. Describe the strengths and weaknesses of the proposed solution. Describe software modules to be developed and any maintenance required. Describe the processing impact on the current environment and any enhancement or improvements that may be necessary in the future. Include any terms or conditions required by the vendor for the new technology.

This project will be limited to the Internet use of the form(s) by designated and compensated lobbyists on file with the ESD.

The electronic documents and processing that will be made possible through the Internet will significantly improve the efficiency of the department. As mentioned above, the project will be limited to the Internet use by known persons to the ESD. This provides the department with the control over the process to monitor it closely. Our goal is to replicate the paper transactions with the electronic, therefore the overall process of reporting is relatively unchanged, with the exception that the flow will now be automated.

The ESD will contract with a vendor to develop XML based expenditure reporting forms that are similar in presentation and function to the paper based form. The forms shall be viewable through a browser add-in, which will be compatible with any computer running Microsoft Internet Explorer 5.0. The forms shall be accessible via the Internet, but shall be ‘complete’ so they may be completed off-line. Acceptance of the forms will be restricted to known digital signature holders by the ESD. This essentially will be a PKI verification of the sending and receiving parties’ documents.

The vendor will also provide the XML parser to store the forms in the data elements (as well as the XML format) in the protected ‘intermediary’ database run on SOS systems. This

database will complement current work flow and interface to the existing lobbying data. It will synchronize on a transaction basis with complete audit logs to ensure accountability of the transactions in process. Access to the database will be restricted to authorized personnel.

Digital signatures will be used as the 'signing' key on the XML forms. Since the scope is limited, each of the possible signers will receive a digital signature from a vendor through the registration process at the ESD. They will also sign a contract, recognizing the use of this digital signature on the XML forms is the same as their completing, reviewing and signing a paper form. In addition, they will be committed to keeping the digital signature safe and within their sole control. The digital signature will be used to hash the XML form, effectively marking the form such that it can not be altered without invalidating the signature.

Though the digital signature is a basic signature (see the basic certificate policy outlined by the Policy Authority for the State of Arizona at http://www.sos.state.az.us/pa), the certificates are registered in the Election Services office and therefore can be accepted as a signing certificate. Once the XML form is submitted, the signature will be verified against the vendor's repository. The entire XML form is stored, with the public key obtained from the repository with signature intact. The data elements will also be stored in the record in their data format to allow processing without re-verification. The entire record, perhaps on write-once medium (CD or DVD), should be sufficient for non-repudiation and later verification of the electronic documents.

The key to replicating the paper process on the Internet is to keep the integrity and security of the process, the non-repudiation of the signatures and the retention of the document over its required life span. The ESD feels that all three of these elements are met in the proposed solution. Only two vendors will be involved in the project. One for XML development and the other for Certificate Authority duties.

This project has major implications for little impact of cost. By using the Internet as the medium for distribution, the forms and tools need only be designed once. Also, only minimal support from IT staff is necessary to link the intermediary database to the lobbying database. The licensing of the XML forms and browser add-in viewer is determined by the expected use. At this point, purchase of the license by form, rather than user, seems the most cost effective. Of one concern is the training of the personnel involved in the use of on-line forms, digital signatures and the paperless process. It is also expected one of the vendors will assist with on-site training and self teach videos for the lobbyists. In addition, the contracts will be written such that the ESD owns all created material (including audit logs and historical keys) and programming associated with the entire process.

Time to implementation is fairly short. The major extent of the development of this process is in the analyzing of the paper process. Once the major elements were identified and outlined, it is a short conclusion to the resulting electronic process. The beta test, a designated group of lobbyists and a quarterly report will be completed over a four month period in October-January. Following a successful test under close monitoring, the project will be expanded to full use. Review of the forms produced and the process will be completed every three months for recommendations and commentary. The project shall end on January 1, 2004. Six months prior, a complete review and recommendation to the executive director will be made for determination of success and suggestions for enhancement.

If special security is necessary, describe the measures that will be taken to protect the integrity of the data and the physical safety of the equipment. If disaster recovery is necessary, describe the continuity plan.

This will not affect back-end systems (servers and databases) and the transmission to them will be secured with SSL. The XML forms signed by the ESD, along with the submission using the subscriber's private key and the state's public key, allow for assurance of transmission. The format will be clear text, however the hashes created by these keys will keep the integrity of the document in transmission.

If training is identified, describe who will receive the training, the subjects and what system documentation will be provided. If no training costs are anticipated, explain why.

There will be minimal training of the filers required. There will be some instruction done face to face when they apply for enrollment in the on-line reporting system. Some instructional material will be delivered with the software and they can call or come in if there are any additional questions. The Beta test should identify the common problems and they will be addressed in the face to face instruction or the materials included with the software.

Describe any converting or migrating of information and the over all method, timing and costs.

No information will be migrated or converted. The electronic records will remain in the xml format prescribed for the entirety of the life cycle.

Appendix A should include a Connectivity Diagram. In Appendix C submit a detailed configuration list including Professional & Outside costs to substantiate costs in the Financial Assessment Development and Operating costs sections.

E. Major Deliverables and Outcomes

Describe what your agency, internal and external customers, and the citizens of Arizona will receive as a result of the project. Describe critical factors and criteria you will use to determine project success. If Professional & Outside consultants are used, list assigned tasks and estimated hours.

Lobbyist On-line Reporting will

- maintain the current reporting process, including the ability to print the reports as needed, while eliminating the double entry of the information (first by the filer, then by ESD staff)
- continues the well defined reporting process that is understood by the department and the lobbyists
- promotes an electronic process that still allows the employees involved to easily perceive the flow and particulars
- though the process will be electronic internally, the process will still seem "paper" to the outside community
- educates the lobbyists who influence the legislature on e-government processes

F. Roles and Responsibilities

Describe the individual project roles and responsibilities of agency staff and management in both business and technical areas. For the Project Manager and staff, list the experience and expertise in the proposed technology and in project management. Include who has overall responsibility for the project; one or more division managers, representing the customer or sponsor; the steering committee; and a Change Management Manager,

responsible for system specification changes during the design, programming and implementation phases of the project. If third-party consultants or contractors are used, include their roles and project responsibilities.

Project oversight, electronic disclosure specification, processing specification and web technologies – Michael Totherow, Office CIO. Mike has completed numerous projects for the state in regards to moving paper processes to electronic processes. As CIO, is duties include technology integration and determination for the office.

Lobbyist Law Compliance and Business Process – Mary Jo Kief, Assistant Elections Director. Mary Jo oversees the business process and enforcement surrounding lobbyist disclosure reporting. Her recommendations, along with the Attorney General, set office policy for enforcing reporting.

Information Architecture and electronic reporting process – Michael Totherow, Office CIO and Jason Wharton, Lead Programmer. Jason has been with the office for 6 years and is the lead database architect for all the secretary of state's databases.

Digital Signature Certificates – Party to be named, vendor. Vendor will be on the accepted list of certification authorities as published by the secretary of state.

Responsibility for the project's success lies with Mike, Mary Jo and Jason, as implementing these enhancements must benefit the overall operation of both the Secretary of State's office and the public disclosure system.

G. Other Alternatives Considered

Describe other solutions that were evaluated and explain why they were rejected. Include their strengths and weaknesses. "Do nothing" is an alternative. Explain the implications of doing nothing and why this option is unacceptable. Describe any commercial packages that were evaluated and why were they rejected. If other configurations were analyzed, list the reasons for rejection.

There is the option of not implementing electronic disclosure reporting, which will maintain the current paper intensive process for disclosing expenditures to the public.

Past that, other technologies could be explored. Existing systems, Lobbyists in a Box, exist in other states. However, these packages were installed in situations where no existing application/infrastructure existed. To install one of these apps, the office would incur significant cost to buy the "total solution." This solution builds on the open standards of XML embraced by the office, which leaves no room for proprietorship or intellectual property holding the process hostage.

H. Summary Project Management Schedule

Describe the high-level activities and events, such as project milestones and major project phases. Include any elapsed time for various stages of the project.

Section II. Public Value and Benefits

A. Value to the Public

INSTRUCTIONS

Evaluate the impact the project or investment will have on the State's customers, clients and citizens. If appropriate, additional descriptions can be added to fit the nature of the project being proposed.

This section is the background for the information in **Section I. *Project and Technology Description*, *B. Proposed Changes and Objectives, "To Be"*** and ***E. Measurements and Major Deliverables***.

Score: **0=None, 1=Minor, 2=Moderate, 3=Considerable, 4=Substantial, 5=Extensive.**

Description	*Score*
Client Satisfaction: Applies to performance of the health and welfare services. How clients feel about the services they receive. This is closely associated with life safety functions.	*0*
Customer Service: Applies to improvements in internal and external customer service delivery by this project. Consideration should be given to imposing obligations from police departments, tax collectors, and environmental protection. It is important to distinguish citizen's evaluation from client's services.	*4*
Life Safety Functions: Applies to public protection, health, environment and safety. Consider how this project will reduce risk in these functions.	*0*
Public Service Functions: Applies to licensing, maintenance, payments and tax. Consider how this project will enhance services in these functions.	*0*
Legal Requirements: Consideration should be given to projects mandated by federal or state law. Other consideration could be given if there are interfaces with other federal, state, or local entities.	*0*
Product Quality: Applies to the information and services delivered to internal and external customers and the public.	*4*
Other: List any other applicable value or benefits.	
Total	8

Detail Description of Project Benefits

(Describe in detail any category in the *Value to the Public* with a score greater than 3)

Customer Service. Lobbyists influence legislation and the governance of the state. Providing this service puts technology in the hands of those influential parties in order to educate and expose them to the substantial benefits of e-government. Data will be available for public inspection quicker, not to mention the elimination of data entry and file organization upon the ESD.

Product Quality. Lobbyist reporting at this time is practically non-existent, both from participation from the lobbyists on behalf of the ppb and from the perspective of the public's knowledge of activities. Moving this process to an electronic process will substantially increase the accuracy and participation of filing. (in theory)

B. Benefits to the State

INSTRUCTIONS

Described the economic impact the project or investment. Improved performance can produce either a monetary saving on resources and services, or an increase in revenues, depending on products or services being offered. Cost avoidance activities or events could be noted in both value to the public and benefits to the state. Labor savings may be included if they represent a reduction in force, or avoidance of new hires. If not, this should be included in the functional integration as a value to the public.

The benefits listed here are closely tied **to Section I.** ***Project and Technology Description***, ***B. Proposed Changes and Objectives***, ***"To Be"*** and ***E. Measurements and Major Deliverables***. Specific benefit amounts gained from the proposed project are described in this section.

Score: **0=None, 1=Minor, 2=Moderate, 3=Considerable, 4=Substantial, 5=Extensive.**

Savings: Enter the sum of measurable benefits for that category. The description and method of calculation are explained in the table labeled "Description of Savings."

Description	*Score*	**Savings*
Agency Performance: The extent to which duties and processes will improve or positively affect set business functions. Consider reduced redundancy and improved consistency for the agency.	*5*	*30,000*
Productivity Increase: The improvements in quantity or timeliness of agency or division offerings and deliverables. Consider improved turnaround time or expanded capacity of key processes.	*5*	*12,000*
Operational Efficiency: The project is justified with a clearly defined payback and programmed period. Measure the agency's ability to adapt to change and remain resilient in the face of new requirements or expectations.	*5*	*20,000*

Accomplishment Probability: The extent to which this project is expected to have a high level of success in completing all requirements for the division or agency.	*4*	
Functional Integration: The impact the project will have in eliminating redundancy or improve consistency. Consider the practical means if the project functions in the proper or expected manner.	*5*	*25,000*
Technology Sensitive: The implementation of the right types of technology to meet clear and defined goals and to support key functions. Consider technologies and systems already proven within the agency, division or other, similar organizations.	*4*	
Other: List any other applicable benefit. Reduce work for the agencies (loading software and extracting data)	*1*	*14,500*
Total	29	101,500

*Annual Savings

Additional Information on Savings
(Describe in detail the calculation for any item with a total greater than $50,000)
Operational Efficiency • Reduction in staff to input reports $12,000 currently half FTE assigned to project • Additional staff to help filers $12-18,000 temp FTE at filings times and cycle change over.

Section III. Financial Assessment

INSTRUCTIONS

For ***Section III. A. Development Costs*** and ***Section III. B. Operating Costs***

Development Costs is the sum of all start up expenditures. A detail listing of these costs are included in the ***Statewide Policy A-340 Attachment B Cost Factors Tables***.

Lease/Purchase is a development cost since leasing is a mechanism to avoid initial purchase expense by financing over a period of years. Upgrades or software license increases are included in these costs.

Operating costs is the sum of all on going expenditures. A detail listing of these costs are included in the ***Statewide Policy A-340 Attachment B Cost Factors Tables***. Annual licensing and maintenance expenditures are operational.

NOTE: Items 1 through 3 are to be described in ***Section I.F Roles and Responsibilities***.

1. *IT FTE Positions*

   The number of State positions assigned full time to the project or investment. If the plan requires less then full time, enter the percentage of planned hours to 2,000. The number entered is limited to agency personnel.

   For example, if the project plan requires the person to only work 1,000 hours for the first year of the project, enter ".5" in the box for the first year. If a FTE is used in each year, the number one is to be entered in each year. It is not important if it is the same individual or a combination of several. The total should agree with the total described in ***Section I.F Roles and Responsibilities***.

2. *User FTE Positions*

   If user involvement does not require additional personnel, no entry is necessary. If additional personnel are hired to supplement user testing, the number hired is entered.

3. *Professional and Outside Positions*

   The number of consultants, contractors and personnel used in this project other than State employees. The total should agree with the total described in Section I.F Roles and Responsibilities.

4. *Total Positions*

   The sum of IT FTE, User FTE and Professional and Outside Positions.

NOTE: Items 5 through 13 cost details are to be listed in ***Appendices C. Itemized List with Costs***.

5. *IT FTE Cost*

   The total personnel dollars expended for IT FTEs, including E.R.E. (Employee Related Expenses) at its most current rate.

6. *User FTE Cost*

   The total personnel dollars expended for user FTEs, including E.R.E.

7. *Professional and Outside Positions Cost*

The dollars expended for all third-party consultants and contractors, such as management, administrators, project leaders, operations or technical support, communications, and LAN administrators. In Appendices C, include the billing rate, number of hours and the tasks to be performed.

8. Hardware

All costs related to computer hardware and peripherals used on a project, including mainframes, midrange, micro- and mini-processors, laptops, hand-held devices, and peripheral devices such as disk drives and printers.

9. Software

All costs related to applications and systems related software for the project.

10. Communications

All costs related to analog and digital networks, communication processors, software, frame relays, phone switches, cabling, wiring, LAN/WAN and other items associated with communications.

11. Facilities

All costs related to improvements or expansions of existing facilities required to support this project, as well as rentals, leases or purchase of new IT facilities.

12. Licensing and Maintenance Fees

All licensing and maintenance fees that might apply to hardware, software and any other products included in this project.

13. Other

Other IT costs not included above, such as diskettes, manuals, travel, training and living expenses.

Training costs should be included if expenditures are specifically incurred for this project. If there is an in-house training department and the cost of the training is absorbed, no costs should be reported. Travel costs should be the amount of expenditures and not the value of automobiles, trucks and other transportation goods.

14. Total

The sum of lines 5 through 13.

A. Development Costs

Fiscal Year						
Description	*FY '01*	*FY_02_*	*FY_03_*	*FY___*	*FY___*	*Total*
The number of FTE and third-party positions						
1. IT FTE Positions	.2					**(Do not use)**
2. User FTE Positions						
3. Professional and Outside Positions	.1					
4. Total Positions *	.7					
The development costs in thousands ($000)						
5. IT FTE (Include ERE)	8,000					
6. User FTE (Include ERE)						
7. Professional and Outside Positions	17,000					
8. Hardware	12,000					
9. Software	0					
10. Communications	0					
11. Facilities	0					
12. Licensing and Maintenance Fees						
13. Other						
14. Total**	37,000					

* Items 1 through 3 are be included in ***Section I.F Roles and Responsibilities***.

** Items 7 through 13 are be included in ***Appendices C. Itemized List with Costs.***

B. Operating Costs

Fiscal Year						
Description	*FY_02_*	*FY_02_*	*FY_03_*	*FY____*	*FY____*	*Total*
The number of FTE and third-party positions						
1. IT FTE						(Do not use)
2. User FTE	.4					
3. Professional & Outside						
4. Total Positions *						
The operating costs in thousands ($000)						
5. IT FTE (Include ERE)						
6. User FTE (Include ERE)	10,000					
7. Professional and Outside Position						
8. Hardware						
9. Software						
10. Communications						
11. Facilities						
12. Licensing and Maintenance Fees						
13. Other	25,000		25,000			
14. Total**	35,000		25,000			

* Items 1 through 3 are described in ***Section I.F Roles and Responsibilities***.

** Items 7 through 13 are be described in ***Appendices C. Itemized List with Costs.***

For Section III. C. *Summary of Costs and Savings*

INSTRUCTIONS

1. ***Development Costs***
   The incremental costs over five years from ***Section III. A. Development Costs***, line 14.

2. ***Operating Costs***
   The incremental costs over five years from ***Section III. B. Operating Costs***, line 14.

3. ***Total Costs***
   The sum of *Development Costs* and *Operating Costs*.

C. Summary of Costs and Savings

Fiscal Year ($000)						
Description	*FY_01_*	*FY_02_*	*FY_03_*	*FY____*	*FY____*	*Total*
1. Development Costs	37,000					
2. Operating Costs	35,000		25,000			
3. Total Costs	72,000		25,000			97,000

Costs assume today's prices will be constant for comparable levels of technology over three years.

For Section III. D. *Special Terms and Conditions*

INSTRUCTIONS

Describe the terms and conditions required for this project. Include all qualifying factors, time limitations and penalties that could be assessed. If multiple, the terms and conditions should be divided by vendor name.

D. Special Terms and Conditions

Explanation

E. Funding

INSTRUCTIONS

For Part 1 and 2 of Section III. D. Funding

1. Time Line

1. ***Available Base Funding***
   The planned base funds expended over five fiscal years.

2. ***Additional Appropriations Needed***
   The additional funding requested from legislative appropriations.

3. ***Other Funding Source***
   The third party funding, other than base budget or legislative appropriations, such as Federal matching.

4. ***GITA Special Funds***
   The requested amount of special funds managed by GITA for this type of project.

5. ***Total Funding***
   The sum of lines 1, 2 and 3.

2. Source

1-7 ***Name of Funding Source***
   All funding sources such as General Fund, State Highway Fund, Watercraft Licensing Fund, Board of Cosmetology Fund, Federal matching funds and block grants, and any other funds that may apply to this project.

8. ***Funding Source Total***
   The sum of items 1-7.

1. Timeline

Five Year Total ($000)						
Agency	*FY '01*	*FY_02_*	*FY_03_*	*FY____*	*FY____*	*Total*
1. Available Base Funding	72,000		35,000			97,000
2. Additional Appropriations						
3. Other Funding Source						
4. GITA Special Funds						
5. Total Funding (*)	72,000		25,000			97,000

2. Source

Funding Source ($000)			
Name of Funding Source	***Base***	***Additional***	***Total***
1. General Fund	27,000	???	27,000
2. IT Revolving Fund	70,000		70,000
3.			
4.			
5.			
6.			
7. Federal Funding			
8. Funding Source Total (*)	97,000		97,000

(*) Equals the "Total Costs" from ***Section II. C. Summary of Costs by Year***, line 3.

Section IV. Risk Assessment

INSTRUCTIONS

For projects over $100,000 and up to $1 million, complete the table below to assess project risk. For projects over $1 million, complete all six categories in the following ***Section IV. B. Risk Evaluation*** then transfers the scores to the summary table below.

Score

Questions for the six risk categories are scored with 1 point for a "Yes" answer, and zero for a "No" answer. Maximum is the total number of questions for each category.

A. Risk Summary

Category	*Maximum Possible*	*Score*	*Description*
Strategic	5		Aligns with Agency and Statewide goals, objectives and long-term strategic plans.
Management	6		Senior management is involved in the project.
Operational	5		Adverse effects on current operations are unlikely or contingency plans are in place.
Scope and Requirements	7		Scope and requirements are clearly defined and approved by stakeholders.
Technologies Competency	7		Agency has, or will secure appropriate skills to implement the project.
Infrastructure Dependencies	6		All key elements are included to fully implement the project.
Total	36		

General Comments:

B. *Risk Evaluation*

INSTRUCTIONS

This section is for projects that cost over a $1 million. The "Yes" answer receives a score of 1 point and any other answer receives no points and requires an explanation. The bottom box is used for the explanations.

Transfer the total score for each category to the Risk Summary.

1. Strategic

Evaluate the project alignment with Agency and Statewide goals and the overall strategic plan

Score 1 Rating Point for a "Yes" Answer	*Yes*	*No**
1. Does this project directly accomplish an agency strategic goal as outlined in your agency strategic plan?		
2. Is there a written assessment of short-term and long-term effects the project will have on operations?		
3. Is the project technology already in place in your agency so that IT/user training is minimized?		
4. Have you evaluated implementations of this technology in other agencies or businesses?		
5. Will this project accommodate business operations, without additional upgrades, for the next 3-5 years?		

Total Rating Points	

*Explain all "No" Responses:

2. Management

Assessment of management understanding of how the project improves or supports the core business activities

Score 1 Rating Point for a "Yes" Answer	*Yes*	*No**
1. Are core business activities supported by the project?		
2. Does this project have a senior management sponsor?		
3. Has a project management team with relevant experience been formed?		
4. Are project planning and project management practices in place?		
5. Are managers prepared to commit user time necessary for training?		
6. Has the designated Project Manager successfully implemented projects of this scope in the past?		

Total Rating Points	

*Explain all "No" Responses:

3. Operational

Appraisal of the proposed implementation and the effects on operations.

Score 1 Rating Point for a "Yes" Answer	*Yes*	*No**
1. Can technical personnel continue maintenance/ support and implement this project concurrently?		
2. Has a user acceptance-testing plan been devised?		
3. Has the project's effect on current operations been thoroughly assessed?		
4. Does the system affect one location only?		
5. Has a disaster recovery or contingency plan been devised in the event of project failure or delayed implementation?		

Total Rating Points	

*Explain all "No" Responses:

4. Scope and Requirements

Rate the project on clear definition, reasonable deliverables and adequate understanding by key stakeholders

Score 1 Rating Point for each "Yes" answer	*Yes*	*No**
1. Have Management and the Project Team approved a Requirements Document?		
2. Have deliverables been clearly identified and appropriately scheduled?		
3. Have critical success factors been identified and agreed to by users and the Project Team?		
4. Is there a Change Management process in place?		
5. Have "In Scope" and "Out of Scope" items been identified and agreed to by all stakeholders?		
6. Have technical personnel documented core business processes?		
7. Have all data conversion/data entry tasks been defined and time allocated in the implementation plan?		

Total Rating Points	

*Explain all "No" Responses:

5. Technology Competency

Measure the agency on having, or will secure, appropriate technical skills to implement the project.

Score 1 Rating Point for each "Yes" answer	*Yes*	*No**
1. Do project technical personnel possess required skills?		
2. Has adequate training been included for both users and technical personnel?		
3. Have technical personnel developed other systems using the proposed platform/language?		
4. Are technical personnel fully versed in core business operations?		
5. Do all technical developers possess at least 2 years experience in developing similar systems using the proposed platform/language?		
6. If a vendor is involved, is the vendor financially stable and well established?		
7. Has the assigned project team delivered projects of similar complexity on time and on budget, in the past?		

Total Rating Points	

*Explain all "No" Responses:

6. Infrastructure Dependencies

Evaluate modifications to the existing infrastructure to ensure successful operation

Score 1 Rating Point for each "Yes" answer	*Yes*	*No**
1. Will the project deliver full functionality without future upgrades and additional cost?		
2. Is all existing technology compatible with the proposed system?		
3. Have all environmental, electrical and security concerns been studied and addressed in the plan?		
4. Is key hardware/software available within the project plan constraints?		
5. If key services will be replaced, has the impact on users been evaluated, and have users agreed to the changes?		
6. Have all current and future costs related to the project been included in the PIJ?		

Total Rating Points	

* Explain all "No" Responses:

Section V. Project Approvals

The appropriate signatures must be obtained from the Agency Sponsor and Agency CIO. The Agency Director or CEO's signature is required on projects over $1 million or on projects considered critical in nature to the Agency.

A. CIO Review

Key Management Information	*Yes*	*No*
1. Is this project for a mission critical application system?		***X***
2. Is this project referenced in your agency's Strategic IT plan?	***X***	
3. Is this project consistent with the agency's and State's policies, standards and guidelines?	***X***	
4. Is this project in compliance with the Arizona Revised Statutes and GRRC rules?	***X***	
5. Is this project in compliance with the statewide policy regarding the Accessibility to Equipment and Information Technology for Citizens with Disabilities?	***X***	

B. Project Approvals

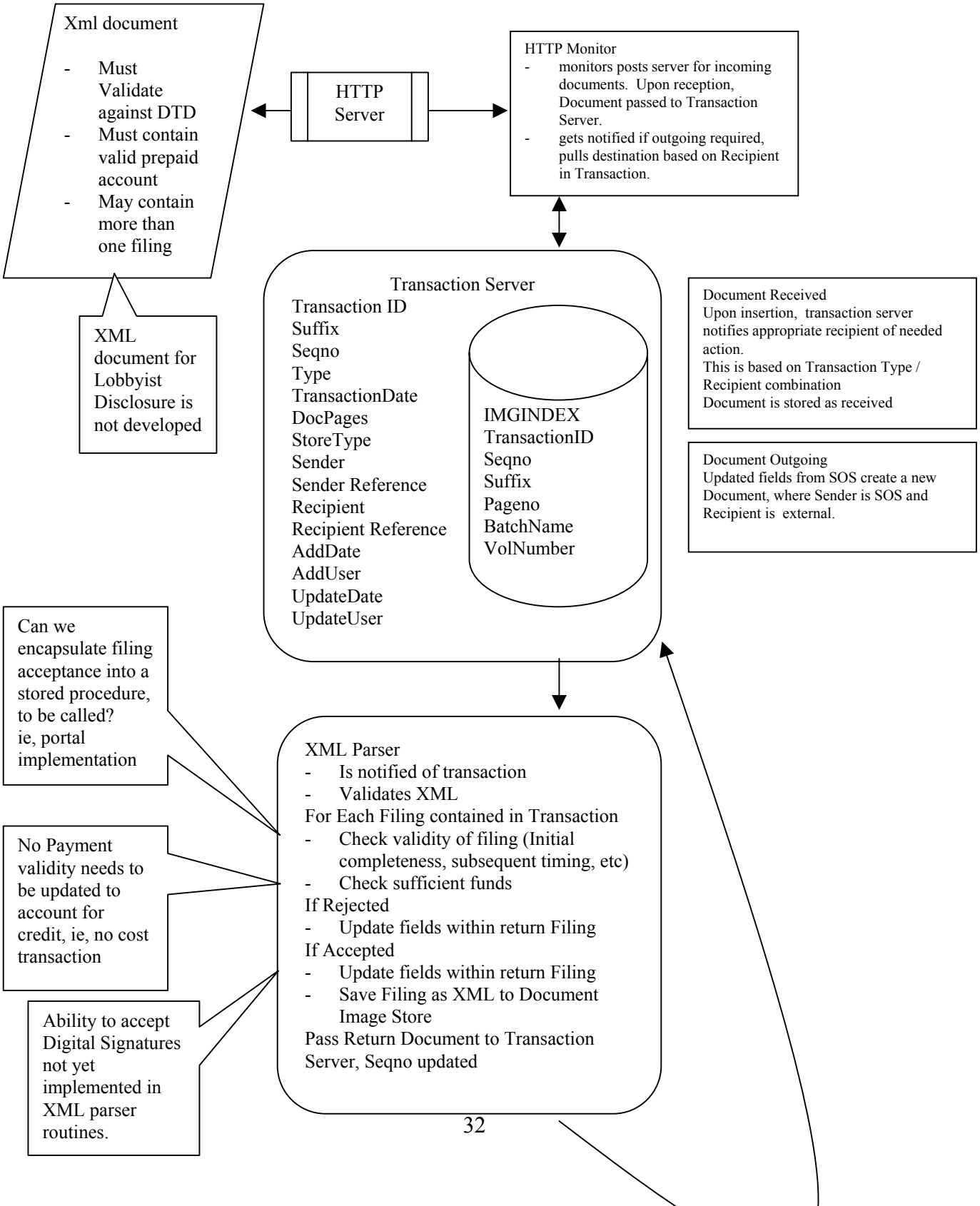
Project Title: ____***Lobbyist On-Line Reporting***_____

Responsibility	*Approval Signature and Title*	*Date*
Project Sponsor*:*		
Agency CIO*:*		
Agency Director:		
Comments:		

Appendices

A. Connectivity Diagram

Attach a high-level schematic drawing, indicating major hardware components. If your project is an expansion of existing facilities, clearly indicate existing and new components. A hand-drafted drawing is acceptable.



B. Gantt Chart, Project Management Timeline

In addition to the schedule included in ***Section I. H. Summary Project Management Schedule***, include a computer-generated Gantt Chart, or a textual list of major project phases and milestones. Include the estimated time of completion for each milestone, and the total elapsed time for the entire project. Do not include a detailed list. If a vendor is involved, insure that your project plan is consistent with the vendor's proposed schedule. This Gantt Chart will be used as the basis for GITA project oversight, if your project is approved.

N/A

C. Itemized List with Costs

Attach a detailed list of expenditures including unit costs and extensions. Ensure the total agrees with the TOTAL column on pages labeled "A. Development Costs" and "B. Operating Costs." This list should contain all items associated with the total project investment, including hardware purchase costs, software purchase costs, software licensing costs, FTE and ERE costs, professional and outside services costs, consulting costs, communication costs, facilities costs such as cabling or wiring, training costs, travel costs, and all other costs.

Development

State FTE – Project specification	3000
State FTE – Database Programming / XML parse	2500
State FTE – Business Process documenting	2500
Consultant – XML Form	8000
Consultant – Digital Signature processing	9000
Rack Server – Pentium III processor	10000
DVD-RW – optional	2000

Operational

State FTE – end-user training / help desk	8000
State FTE – electronic records management	2000
Digital Certificates -- $25 X 1000	25000

Glossary

Explain all special terminology and acronyms used in your document. Here are some examples.

Business Justification
Delineates the merits of the business reasons for undertaking the project and the Information Technology component of the project.

Business Objective
Distinguishes the merits of the business purpose of the project from the Information Technology component of the project.

Core Activities
Functions that are directly related to an organization's mission. Routine clerical and administrative tasks, for example, are not core activities.

Cost Avoidance
An expenditure that is not being incurred but will be incurred, if the project is not implemented.

Cost Savings
Operating and capital expenses that are currently being incurred, but will not be incurred, if the project is implemented, such as reduction in personnel, reduced overtime and elimination of contractual support.

Economic Benefits
Favorable tangible advantages that can be directly measured, such as the dollar reduction in the services and supplies budget.

Management Information
The contribution of the Information Technology component toward management's ability to make informed decisions.

Prerequisite Project
A dependency. A project that is required before or in order to implement another project.

Public Value
Favorable advantages that will accrue as a result of undertaking the project which are not restricted to dollar value. Section II provides the explanation of positive results to be achieved by the proposed project or investment.

Revenue Increase
The amount of additional income accruing to the organization after subtracting the cost associated with achieving the increase.

Technology Assessment
An evaluation of the technology, relative to the business objectives, defined standards, infrastructure impact, enterprise strategies, current practices and directions of the industry.